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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
SACRAMENTO DIVISION

In re:

RUSSELL WAYNE LESTER, an
individual, dba Dixon Ridge Farms,

Debtor in Possession.

CASE NO.: 20-24123-E-11

Chapter 11

DCN: FWP-2

Fifth Interim Hearing

Date: December 10, 2020

Time: 10:30 a.m.

Courtroom: 33 – Honorable Ronald H. Sargis
501 I Street, 6th Floor
Sacramento, CA

**SUPPLEMENTAL DECLARATION OF RUSSELL BURBANK IN SUPPORT OF
DEBTOR IN POSSESSION'S SIMPLIFIED CASH COLLATERAL BUDGET FOR
DECEMBER 2020 THROUGH MARCH 2021**

I, Russell Burbank, declare as follows:

1. I am a Senior Managing Director at BPM LLP ("BPM"), a full-service audit, tax, and consulting firm with over 50 partners and multiple offices throughout California, and I am also the Financial Advisor of Russell Lester, an individual doing business as Dixon Ridge Farms (the "Debtor in Possession" or "Dixon Ridge Farms"). My responsibilities as Financial Advisor of the Debtor in Possession include advising Dixon Ridge Farms' management regarding the farm's financial condition and financial outlook and assisting with cash management.

2. I make this declaration in support of the Debtor in Possession's submission of his

1 simplified cash collateral budget providing forecast receipts, actual receipts, forecast
2 expenditures and actual expenditures (“Simplified Budget”) pursuant to this Court’s November
3 9, 2020 Fourth Interim Order on Debtor In Possession’s Emergency Motion for An Order (a)
4 Authorizing Interim and Final Use of Cash Collateral; (b) Granting Replacement Liens; and (c)
5 Scheduling Final Hearing Pursuant to Bankruptcy Rule 4001 (“Fourth Interim Order”) (Docket
6 No. 246). All terms not otherwise defined shall have the same meaning as in the Fourth Interim
7 Order.
8

9 3. I am a Certified Turnaround Professional and have been, among other similar
10 engagements, a financial or restructuring advisor to a 60,000 BPD integrated refining and
11 marketing company; a 750-ton integrated paper mill; a \$150 million dairy cooperative; a \$750
12 million agriculture products trading company; and a \$100 million semiconductor and photovoltaic
13 manufacturer. I also have served as interim CEO of a \$15 million electronic components
14 manufacturer and a \$75 million oil products refining and marketing company. I have been
15 Chapter 11 Trustee of a 1,500 head dairy; Chapter 11 Plan Administrator of a \$175 million
16 mortgage fund; and Operating Receiver of a \$20 million telecom equipment company. I have
17 also acted as a Liquidating Trustee for numerous venture backed companies in a wide variety of
18 industries and technologies following asset sales and/or orderly wind-downs.
19

20 4. I am over 18 years of age. If called as a witness, I could and would testify from
21 my own personal knowledge with respect to the matters set forth in this Declaration. Except as
22 otherwise noted, this Declaration is based upon my personal knowledge of the operations and
23 finances of the Debtor in Possession, and information learned from my review of relevant
24 documents and information supplied to me by the Debtor in Possession and the Debtor in
25 Possession’s other advisors.
26

27 5. Pursuant to the Court’s Fourth Interim Order, I have prepared the Simplified
28

1 Budget, attached as Exhibit A to the exhibit document filed herewith, for the Debtor in
2 Possession's submission to the Court fifteen days prior to the next continued interim hearing on
3 the Debtor in Possession's Emergency Motion for An Order (a) Authorizing Interim and Final
4 Use of Cash Collateral; (b) Granting Replacement Liens; and (c) Scheduling Final Hearing
5 Pursuant to Bankruptcy Rule 4001.

6
7 6. I submit that the Simplified Budget includes budget estimates for the period of
8 December 12, 2020 through March 30, 2021.

9 7. I submit that the total estimated cash collateral necessary under the Simplified
10 Budget is \$665,355.00 covering the period from the week ending December 12, 2020 through
11 March 30, 2021, plus a 10% variance for emergencies.

12 8. I further submit that the detailed expenses of the Simplified Budget are included
13 in a Microsoft Excel spreadsheet which has been sent to Prudential and First Northern Bank.

14 9. Finally, I submit that one particular entry on the spreadsheet seeks approval for a
15 \$20,000 retainer to be paid to the Debtor in Possession's proposed special counsel for tax, trust,
16 and corporate matters, Wagner Kirkman Blaine Klomparens & Youmans LLP, for which an
17 application to employ will be filed prior to the December 10, 2020 Fifth Interim Hearing. This
18 expenditure is necessary for the current budgets being prepared and discussed for Plan purposes,
19 particularly the tax impacts of transfers of real properties to a special purpose entity and capital
20 gain issues arising from potential sales of such properties.

21
22
23 I declare under penalty of perjury that the foregoing is true and correct. Executed on
24 November 25, 2020, at Mill Valley California.

25
26 /s/ Russell Burbank
RUSSELL BURBANK